

On March 1, 2004, a meeting was held at the Maritime Administration (MARAD), with the following attendees: Robert Malone, Chief Executive of BP Shipping Ltd.; Neil Cramond, Regional Manager-Americans, BP Shipping, USA; Charlie Papavizas, Winston & Strawn LLP; William Schubert, Maritime Administrator; James Caponiti, Associate Administrator for National Security; and Murray Bloom, Assistant Chief Counsel for Maritime Programs. Among other topics, the matter of the proposed joint MARAD/Coast Guard rule addressing operation in U.S. coastwise trade of vessels documented under the "lease-financing" provisions was discussed. BP voiced concern that BP's construction program of several new VLCCs at NASSCO Shipbuilding Corp. could be jeopardized by an unintended application of a final rule. BP was advised that MARAD did not have any plans to disrupt BP's extensive domestic vessel construction program, which is a program that MARAD had previously reviewed and approved. BP was further advised to put their specific concerns in writing and submit them for the record in the rulemaking docket, at which time they would be considered.